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SECURITY INFORMATION

NATIONAL INTELLIGENCE ESTIMATE

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PROBABLE SOVIET COURSES OF ACTION WITH RESPECT TO GERMANY, THROUGH MID-1954

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NIE-81

Published 22 May 1953

(Supersedes NIE-53 and NIE-54)

The following member organizations of the Intelligence Advisory Committee participated with the Central Intelligence Agency in the preparation of this estimate: The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff.

The Intelligence Advisory Committee concurred in this estimate on 19 May 1953. The FBI abstained, the subject being outside of its jurisdiction.

CENTRAL INTELLIGENCE AGENCY

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PROBABLE SOVIET COURSES OF ACTION WITH RESPECT TO GERMANY, THROUGH MID-1954

THE PROBLEM

To estimate probable Soviet courses of action with respect to Germany, through mid-1954.

ESTIMATE

1. We believe that current Soviet "peace" tactics do not indicate any change in the ultimate Kremlin objective with respect to Germany, which is to bring the entire country under Soviet control. The Kremlin must recognize, however, that it is not in a position to advance directly toward this ultimate objective by political action because of the hostility of the overwhelming majority of Germans to Communism. It must also recognize that an attempt to impose Communist control over all Germany by force would result in general war.

2. We believe that through the period of this estimate the Kremlin will seek by political warfare to prevent or at least to retard the Western program for West German rearmament and the integration of West Germany with the West. The Soviet leaders will probably continue to believe that there is a good chance of thwarting the Western program through a political warfare campaign which plays upon Western European fear of German rearmament and upon German desire for unity. Even if the EDC is ratified and West German rearmament begins, the Kremlin will probably believe that the implementation of the EDC agreements and the rearming of West Germany will proceed slowly, and that there will continue to be opportunities to thwart the Western program. In any case, it is unlikely that by mid-1954 the re-

armament of West Germany will have advanced to a point at which the Soviet leaders would regard West Germany as a serious military threat.

3. The Kremlin in its political warfare directed against West Germany will seek to encourage defeatism and neutralism by emphasizing Soviet military might and determination, while at the same time it will use "peace" tactics to counter rearmament sentiment. Soviet propaganda will appeal to German nationalism by exploiting anti-American themes and by seeking to aggravate Franco-German differences. Trade offers and the lure of former German markets in Eastern Europe and mainland China will be dangled before West German businessmen.

4. As part of its "peace" tactics, the Kremlin may during the period of this estimate make proposals for the establishment of a united, independent, and neutralized Germany on the basis of free all-German elections and the withdrawal of all occupation forces from Germany. However, we believe that such proposals would contain conditions which the Kremlin would intend to be unacceptable to the West, or that the Kremlin would intend to prevent the implementation of agreements embodying these proposals.

5. We believe that during the period of this estimate, the Kremlin will not give up or

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weaken its control over East Germany even to prevent West German integration with the West or West German rearmament. So long as it retains East Germany, the Kremlin will remain in a position to use East Germany as a lever in negotiations with the West and to prevent German unification on terms unfavorable to the ultimate extension of Soviet control to all Germany. Furthermore, so long as Soviet troops occupy East Germany the USSR will retain a valuable base for either offensive or defensive military operations and for attempts to intimidate the West. Finally, East Germany has great economic and technological importance for the Bloc. For instance, we estimate that East Germany contributes about 40 percent of the Bloc's total production of uranium ores and concentrates. It is unlikely that the Kremlin will surrender the great advantages which it derives from its control over East Germany in return for the establishment of a united and neutral Germany which it might hope subsequently to subvert. The Kremlin almost certainly fears that, even if a united Germany were not only neutralized but disarmed, it would eventually rearm and turn against the USSR.

6. We believe, therefore, that the Kremlin will retain and consolidate its hold on East Germany and will seek to increase East German economic and military power. The Soviet program will be tantamount to making East Germany into a full-fledged Satellite with security measures as rigorous, and isolation of the population almost as complete as in the other Satellite states. However, the Kremlin probably believes that the formal integration of East Germany into the Soviet Bloc as a "People's Democracy" would be likely to hasten the rearmament of West Germany and its integration with the West and to turn the pressure for German unity against the USSR. Therefore, the Kremlin will probably continue to make concessions to the needs of the propaganda campaign for all-German unity by preserving a multi-party facade in East Germany and by allowing some non-governmental groups to maintain tenuous connections with West Germany. On the other hand, if the Soviet "peace" tactics are abandoned and the EDC agreements are ratified, the Kremlin

may conclude a separate peace treaty and an alliance with East Germany and incorporate it into the Bloc as a "People's Democracy."

7. The Kremlin probably estimates that the maintenance of Soviet control in East Germany is dependent upon the presence of Soviet forces in East Germany. However, the Kremlin may estimate that it could greatly increase the effectiveness of its political warfare campaign by removing some of its overt control mechanisms from East Germany, including some of its military forces. The Kremlin might expect that such moves would give the impression of Soviet willingness to withdraw entirely from East Germany, thus intensifying German hopes for unification and the expectations in Western Europe, particularly in France, for a satisfactory settlement of the German problem.

8. It is even conceivable that at some stage the Soviet leaders might withdraw all Soviet forces from East Germany, if they were convinced that such a step would lead to the withdrawal of all US forces from Europe and would create conditions favorable to the imposition of Soviet control over all of Germany. This is only a remote possibility, at least for the period of this estimate, but we believe it cannot be excluded entirely.

9. Despite the recent lessening of Soviet pressure on West Berlin, we believe that the Kremlin objective of forcing the withdrawal of the Western Powers from West Berlin remains unchanged. So long as the Kremlin continues its "peace" tactics, it will probably not undertake new harassing measures against West Berlin. However, preparations for sealing off West Berlin from East Germany and East Berlin have been substantially completed. If the "peace" tactics are abandoned, West Berlin will probably be isolated from adjacent Soviet-controlled territory. The likelihood of interference with communications between West Berlin and West Germany, possibly including a surface blockade of West Berlin, will increase substantially if the EDC agreements are ratified. However, we believe that the Kremlin will carefully assess Western reaction to the various forms of pressure employed, and that

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the Kremlin is unlikely to adopt courses of action which, in its estimation, would involve grave risk of general war.

10. In conclusion, there can be no doubt that the Kremlin regards West Germany as potentially the most powerful state in Western Europe, and as potentially the most danger-

ous, both to the realization of Soviet aggressive plans and to the security of the Bloc. During the period of this estimate, the Kremlin is likely to believe that the German situation is not yet dangerous and that there remain opportunities for influencing developments in Germany by political warfare.

11